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Pêches et Océans Canada

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GCCMS #: 2019-014-00091
EKME #: 4059906

To: Timothy Sargent
Pour:

Date:

Object: **NOTIFICATION OF WEB POSTING: AUDIT OF ICEBREAKING SERVICES**
Objet:

From / De: Leslie Levita, A/Chief Audit Executive

Via:

Additional approvals:
Autre(s) approbation(s):

☒ Material for the Minister
Documents pour le Ministre

☐ Your Signature
Votre signature

☒ Information

Remarks: This briefing note was developed by the Internal Audit Directorate.
Remarques:

Distribution: Andy Smith, Deputy Commissioner, Strategy and Shipbuilding
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J.-G. Forgeron, Senior Assistant Deputy Minister, Strategic Policy
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Fisheries and Oceans
Canada

Pêches et Océans
Canada

Deputy Minister

Sous-ministre

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MEMORANDUM FOR THE MINISTER

NOTIFICATION OF WEB POSTING: AUDIT OF ICEBREAKING SERVICES (FOR INFORMATION)

SUMMARY OF ADVICE TO MINISTER

The purpose of this memo is to notify you that the report for the audit of Icebreaking Services (Tab 1) will be posted on the Department's external website by August 26, 2019.

As per the Treasury Board *Policy on Internal Audit*, internal audit reports must be posted on departmental external websites within 90 days of Deputy Minister approval, in both official languages. Given that the audit report was formally approved by the Deputy Minister on May 28, 2019, the Department must post the report online no later than August 26, 2019.

In anticipation of the upcoming posting, the report has been reviewed by the Access to Information and Privacy (ATIP) Secretariat, the Communications Branch, and Legal Services. The ATIP Secretariat had no severances to recommend and Legal Services had no concerns with the posting.

In light of the audit's recommendation to update Icebreaking Service Fees to better align with current legislation, the Communications Branch had developed media lines to accompany the release of this report. The media lines will follow for your approval under a separate cover.

BACKGROUND

Under Canada's *Oceans Act*, the Canadian Coast Guard is responsible for the provision of icebreaking and ice management services to support the safe, economical and efficient movement of ships in Canadian waters. The objectives of the Icebreaking Services program are to facilitate the safe and timely movement of maritime traffic through and around ice-covered waters through route assistance, ice routing and information services, harbour breakouts, flood control and ice management, and northern resupply. The Icebreaking Services program was assessed as a high-risk area in the Departmental Risk-based Audit Plan (2017-2018 to 2019-2020).

The objective of the audit was to assess the adequacy and effectiveness of the governance framework, risk management, resource management and monitoring for the delivery of the Icebreaking Services program. The audit was carried out in National Headquarters and included

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interviews with key Icebreaking Services program personnel in the Canadian Coast Guard Regional Operations Centres in Atlantic and Central and Arctic Regions. The audit did not examine the information management systems used by the Icebreaking Services program, as this was covered in the 2017-2018 Review of Data Quality.

STRATEGIC CONSIDERATIONS

The audit concluded that there are some adequate and effective elements of a governance framework, resource management, risk management and monitoring practices in place to ensure the delivery of the Icebreaking Services program. There are also opportunities for improvement to strengthen senior management strategic and operational oversight of the Icebreaking Services program, to ensure key positions reflect the current work performed, and to develop a human resources strategy so that the program is able to recruit and retain key personnel for the delivery of icebreaking services. In addition, the Icebreaking Services program would benefit from assessing and managing strategic program risks, and updating Icebreaking Services fees to reflect the current operational environment.

The Deputy Commissioner, Strategy and Shipbuilding, is in agreement with the audit findings and has accepted the recommendations. A Management Action Plan (MAP) has been developed to address the issues, which has been integrated into this report.

The audit report, along with the integrated MAP, was approved by the Deputy Minister on May 28, 2019, at the recommendation of the Departmental Audit Committee (DAC). In order to ensure compliance with the Treasury Board *Policy on Internal Audit*, the Department must post the report by August 26, 2019.

INTRADEPARTMENTAL CONSULTATIONS

The report has been reviewed by the Access to Information and Privacy (ATIP) Secretariat, the Communications Branch, and Legal Services. The ATIP Secretariat had no severances to recommend and Legal Services had no concerns with the posting.

In light of the recommendation to update Icebreaking Service Fees to better align with current legislation, the Communications Branch has developed media lines to accompany the release of this report. The media lines will follow for your approval under a separate cover.

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ADVICE AND RECOMMENDATIONS TO MINISTER

In order to ensure the Department's compliance with the Treasury Board *Policy on Internal Audit*, the report will be posted no later than August 26, 2019. If required, senior officials from the Internal Audit Directorate and the Coast Guard's Strategy and Shipbuilding sector are available to brief you on this audit before the posting of the report on the departmental website.



Timothy Sargent
Deputy Minister

JUN 18 2019

Kevin Stringer
Associate Deputy Minister

Minister's Comments:

Attachment: (1)

Tab 1) Audit of Icebreaking Services (English and French Reports)

Publicly available at: <http://www.dfo-mpo.gc.ca/ae-ve/audits-verifications/19-20/pdf/icebreaking-deglacage-eng.pdf>



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Internal Audit Report

Audit of Icebreaking Services

April 2019

Canada

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Rapport d'audit interne

Audit des services de déglaçage

Avril 2019

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Pages 21 to / à 37
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